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OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this <u>6th</u> day of <u>November</u>, 2008, between Arch Van Meter a/ka Arch W. Van Meter and Patsy Van Meter a/ka Patsy A. Van Meter, husband and wife, Lessor (whether one or more), whose address is: 8905 Crosswind Drive, Fort Worth, Texas 76179 and XTO Energy Inc., whose address is: 810 Houston St., Fort Worth, Texas 76102, Lessee, WTNESSETH:

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the covenants and agreements of mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, land, "is located in the County of _____Tarrant, State of Texas, and is described as follows:

BEING 0.323 acres of land, more or less, out of the Alexander, Crane, Harris & Brooks Survey, Abstract No. 56, and being Lot 34, Block 1, Lake Country Estates, an Addition in Tarrant County, Texas, according to the Plat recorded in Volume 388-67, Page 5, Plat Records of Tarrant Country, Texas, and being more particularly described in a Warranty Deed With Vendor's Lien dated October 14, 1971 from Lake Country Estates, Inc. to Arch W. Van Meter and wife, Patsy A. Van Meter recorded in Volume 5133, Page 21, Deed Becords Tarrant Country Taxas and amandments thereof including streets assemble and allowwave adjacent therefo, and any Records, Tarrant County, Texas and amendments thereof, including streets, easements and alleyways adjacent thereto, and any

SEE ATTACHED ADDENDUM FOR ADDITIONAL PROVISIONSSTATE OF TEXAS

This is a non-developmental Oil & Gas Lease, whereby Lessee, its successors or assigns, shall not conduct any operations, as defined herein, on the surface of said lands. However, Lessee shall have the right to pool or unitize said lands, or part thereof, with other lands to comprise an oil and/or gas development unit.

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion, after-acquired title or unrecorded instrument or more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of upon said land with no cessation for more than ninety (90) consecutive days.

upon said land with no cessation for more than ninety (90) consecutive days.

3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal posted market price of such 14 part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, (1) when sold by Lessee 14 of the amount realized by Lessee, computed at the mouth of the well, or 20 when used by Lessee of the amount realized by Lessee, computed at the mouth of the well, or 20 when used by Lessee of said land or in Lessor on all other minerals mined and marketed or utilized by Lessee from said land, or the mouth of the well, or 20 when used by Lessee of said land or in Lessor on all other minerals mined and marketed or utilized by Lessee from said land, or the mouth of the well, or 20 when used by Lessee of said land or in Lessor on all other minerals mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of any time or times the expiration of the primary term, all such wells are shut-in, and thereafter this lease may be continued in force as though operations were being but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time lessee are royalty, as sum equal to one dollar (\$1.00) for each acre of land then covered hereby, Lessee shall make like payments or tenders at the expiration of shall online to such such

whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 60 surface acres, plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, so as to contain not more than 640 surface acres plus 10% acreage tolerance; fill filmited to one or more of the following, any one or more horizons, so as to contain not more than 640 surface acres plus 10% acreage tolerance; fill filmited to one or more of the following, any one or more horizons, so as to contain not more than 640 surface acres plus 10% acreage tolerance; fill filmited to one or more of the following, from wells classified as gas wells by the conservation agency having jurisdiction. If larger units than any of those herein permitted, either at the regular location, or five drained the surface acres to the subsurface reservoir. (3) manter at the regular location, or for obtaining maximum allowable from any well to be drilled, drilling, or already drilled, any such unit or paration of a well at a enlarged to conform to the size permitted or required by such governmental order or rule. Lessee shall exercise said option as 0 sech desired unit effective as of the date provided for in said instrument or instrument or instrument and such as a first than any of the date provided for in said instrument or instrument or instruments are so file or which this lease is recorded. Such unit shall become shall become effective on the date such instrument or instruments are so file of record. Each of said options may be established or all purposes of the date provided for in said instrument or instrument or instruments are so file of record. Each of said options may be carefully lead of the date provided in t

or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location and/or access road, drilling, testing, completing, reworking, recompleting, deepening, sidetracking, plugging back or repairing of a well in search whether or not in paying quantities.
- 7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the Lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall place of business by Lessor or Lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such royalties, or other moneys, or other moneys, or other ecord owner to establish the validity of such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.
- 9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied. Lessor shall notify of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after receipt after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules as are necessary to operations on the acreage so retained and shall not be required to move or remove any existing surface facilities necessary or convenient operations.
- 10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to the and/or assigns under this lease. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest or not owned by Lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.
- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited reworking or other operations are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any such provided that such operations are either estricted or not allowed on said land or other leases in the vicinity, it is agreed that any such provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing except as expressly stated.

IN WITNESS WHEREOF, this instrument is ϵ	executed on the date first above written.
LESSOR(S)	
arch Van Muter	Late Van 1
BY: Arch Van Meter	Patsy Van Meter
STATE OFTexas}	
} ss. COUNTY OF <u>Tarrant</u> } This instrument was acknowledged before me or husband and wife.	(ACKNOWLEDGMENT FOR INDIVIDUAL) AKA Arch W. Van Meter the 6th day of November, 2008 by Arch Van Meter and Patsy Van Meter,
BRIAN W. BURICE MY COMMISSION EXPIRES July 23, 2012	Signature

ADDENDUM

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED THE 6th BETWEEN Arch Van Meter a/k/a Arch W. Van Meter and Patsy Van Meter a/k/a Patsy A. Van Meter, husband and wife, AS LESSOR, AND XTO ENERGY INC., AS LESSEE, COVERING 0.323 ACRES OF LAND, MORE OR LESS, OUT OF THE ALEXANDER, CRANE, HARRIS & BROOKS SURVEY, ABSTRACT NO. 56, IN TARRANT COUNTY, TEXAS.

THE PROVISIONS OF ADDENDUM SUPERSEDE COMPLETELY ANY PROVISIONS TO THE CONTRARY CONTAINED IN THE LEASE TO WHICH THIS ADDENDUM IS ATTACHED.

- Minerals Covered. Notwithstanding any other provision hereof, this lease covers only oil and gas. The term "oil and gas" means oil, gas, and other liquid and gaseous hydrocarbons and their constituent elements produced through a well bore.
- 16. Gas Royalty. (a) Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) for oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be twenty five percent (25%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's (25%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; and (b) for gas (including casinghead gas) and all other substances the point of sale, less a proportionate part of ad valorem taxes and production, severance or other excise taxes, and less the permitted the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder. into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder.
 - (b) Royalties on oil, gas and other substances produced and saved hereunder which are processed in a processing plant in which (b) Royalties on oil, gas and other substances produced and saved hereunder which are processed in a processing plant in which Lessee, or an affiliate of Lessee, has a direct or indirect interest, shall be calculated based upon the higher of the proceeds received or sold to Lessee, or an affiliate of Lessee, royalties shall be paid based upon the higher of the market value of the products which are the proceeds received by Lessee for said products. Notwithstanding anything to the contrary herein, except for nonaffiliated third-party post-production costs, including costs of lifting, gathering, dehydration, compression, separation, delivery, transportation, manufacture, processing, treating or marketing, or for construction, operation or depreciation of any plant or other facility or equipment for processing or treating oil or gas produced from the leased premises or lands pooled therewith. In no event shall Lessor receive a price greater than or less than Lessee in sales to nonaffiliates.
 - (c) As used herein, "affiliate" means (i) a corporation, joint venture, partnership or other entity that owns more than ten percent (10%) of the outstanding voting interest of Lessee or in which Lessee owns more than ten percent (10%) of the outstanding voting interest; or outstanding voting interest of both the Lessee and the other corporation, joint venture, partnership or other entity is owned or controlled by the same percent or group of persons.
- Shut-in Royalty. If at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this Lease. A well that has been drilled but not fraced shall be deemed capable of producing in paying quantities. If for a period of picture (90) consecutive days such well or wells are shut in or producing therefrom is not being 17. quantities for the purpose of maintaining this Lease. A well that has been drilled but not fraced shall be deemed capable of producing in paying quantities. If for a period of ninety (90) consecutive days such well or wells are shut-in or production therefrom is not being sold by Lessee, then Lessee shall pay shut-in royalty of twenty five dollars (\$25.00) per acre then covered by this Lease on or before the end of said 90-day period and thereafter on or before each anniversary of the date the first payment is due; provided, however, that lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall be due until the end of the 90-day period next following cessation of such operations or production. Notwithstanding anything to the contrary herein, it is expressly understood and agreed that after the expiration of the primary term, Lessee shall not have the right to continue this Lease in force by payment of shut-in royalty for more
- No Surface Operations. It is hereby agreed and understood that there shall be no drilling activities on the surface of the leased premises without the prior written permission from the surface owner of the applicable portion of the leased premises. Notwithstanding 18. premises without the prior written permission from the surface owner or the applicable portion of the leased premises. Notwithstanding the foregoing, this waiver of surface shall not be construed as a waiver of the rights of Lessee to utilize the subsurface of the leased premises under this lease, and Lessee shall have the right to exploit, explore for, develop and produce oil, gas and other covered minerals under this lease from wells from surface locations off the leased premises, including, but not limited to, directional or horizontal drilling activity which comes under the surface of the leased premises. This drilling surface waiver does not apply to any surface rights associated with instruments other than this lease.
- Vertical Pugh. Upon the expiration of the primary term of this Lease, upon the expiration of any extension or renewal of the primary 19. term, or after cessation of operations as provided herein, whichever occurs last, this Lease shall terminate as to all rights lying below one hundred feet (100') below the stratigraphic equivalent of the deepest formation drilled.
- No Warranties. Lessor makes no warranty of any kind with respect to title to the Land. By acceptance of this Lease, Lessee acknowledges that it has been given every opportunity to investigate and has conducted sufficient investigation to satisfy itself as to the title to the Land, and Lessee assumes all risk of title failures. All warranties that might arise by common law or by statute, including but not limited to Section 5.023 of the Texas Property Code (or its successors), are excluded. If Lessor owns an interest in the Land less than the entire fee simple estate, then the royalties (including shut-in royalties) payable hereunder will be reduced proportionately. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Lessor will use all its reasonable efforts to assist Lessee to subordinate any rights of a mortgage holder to perfect the Lessee's rights under this lease: provided, however, any necessary subordination shall be obtained by Lessee at Lessee's sole expense. In the event Lessee is 20. lease; provided, however, any necessary subordination shall be obtained by Lessee at Lessee's sole expense. In the event Lessee is unable to obtain a subordination agreement, Lessee, at its option, may discharge any tax, mortgage, or other lien or interest and other charges on the Land superior to this Lease, and in the event Lessee does so, Lessee will have the option of applying the royalties accruing to Lessor toward payment of same and Lessee shall be subrogated to the rights of the holder thereof.
- Indemnity. Lessee hereby releases and discharges Lessor and the owner of the surface estate, along with their officers, employees, partners, agents, contractors, subcontractors, guests and invitees, and their respective heirs, successors and assigns (collectively the "Lessor Parties"), of and from all and any actions and causes of action of every nature, or other harm, including environmental harm, for which recovery of damages is sought, including, but not limited to, all losses and expenses which are caused by the activities of Lessee, its officers, employees and agents arising out of, incidental to or resulting from, the operations of or for Lessee on or under the leased premises or at the drill site or operations site or that may arise out of or be occasioned by Lessee's breach of any of the terms or provisions of this Lease, or by any other negligent or strictly liable act or omission of Lessee. Further, Lessee hereby agrees to be liable for, exonerate, indemnify, defend and hold harmless the Lessor Parties against any and all claims, liabilities, losses, damages, actions, property damage, personal injury (including death), costs and expenses, or other harm for which recovery of damages is sought, under any theory including tort, contract, statute or strict liability, including attorney fees and other legal expenses, including those related to environmental hazards on or under the leased premises or at the drill site or operations aite or in any way related to Lessee's failure to comply with any and all environmental laws; those arising from or in any way related to Lessee's use of the surface or subsurface of the leased premises; and those that may arise out of or be occasioned by Lessee's breach of any of the terms or provisions of this Lease or any other act or omission of Lessee, its directors, officers, employees, partners, agents, contractors, subcontractors, guests, invitees and their respective 21. directors, officers, employees, partners, agents, contractors, subcontractors, guests, invitees and their respective successors and assigns. Each assignee of this Lease, or of an interest herein, agrees to be liable for, exonerate, indemnify,

defend and hold harmless the Lessor Parties in the same manner provided above in connection with the activities of Lessee, its officers, employees and agents as described above. EXCEPT AS OTHERWISE EXPRESSLY LIMITED HEREIN, ALL OF THE INDEMNITY OBLIGATIONS AND/OR LIABILITIES ASSUMED UNDER THE TERMS OF THIS LEASE SHALL BE WITHOUT LIMITS AND WITHOUT REGARD TO THE CAUSE OR CAUSES THEREOF (EXCLUDING PRE-EXISTING CONDITIONS), STRICT LIABILITY OR THE NEGLIGENCE OF ANY PARTY OR PARTIES (INCLUDING THE NEGLIGENCE OF THE

- 22. Noise levels associated with Lessee's operations related to the drilling, completion and reworking of wells shall comply with the City of Fort Worth Drilling Ordinance, as amended.
- 23. Limited Power of Attorney to Obtain Subordination Agreement. By the execution of this Lease, Lessor does hereby appoint and designate Lessee, its successors and assigns, as its attorneys-in-fact solely for the limited purpose of allowing Lessee to contact purposes of subordinating any mortgage on the leased premises to Lessee's interests in this lease. Lessee will mail a copy of the subordination agreement or similar agreement or similar agreement when finalized. When Lessee has finalized its lien all respects terminate and automatically be revoked. Lessee shall bear any and all costs associated with obtaining any such tien 24.
 Waiver of Claims as to Octain a greement.
- Waiver of Claims as to Gas Lease Committee and Acknowledgement of Independent Legal Advice. Lessor acknowledges that the terms of this Lease, the amount of royalty and bonus paid hereunder, and other terms negotiated with Lessee with respect to this Country Gas Leasing Task Force ("GLCGLTF"), which consisted of a committee of unpaid volunteers, including Brad Shaw, Carl Wilson, Dick Deatrick, Dennis Shingleton, Nora Donavan, Margaret Harnlin, Jim Usher, Cecilia Valdez, Phil Fox, Craig Zieres, Dave GLCGLTF in negotiating and obtaining the Negotiated Terms, Lessor, individually and on behalf of Lessor's agents, representatives, and any of GLCGLTF or the GLCGLTF Gas Lease Committee's members, agents, and representatives, specifically including any "GLCGLTF Releases"), of and from any and all claims, demands, obligations, losses, causes of action, costs, expenses, attorney's whether known or unknown, which Lessor has, has had, or claims to have against the GLCGLTF Releases, which arise out of or relate Negotiated Terms, Lessor, furn making the decision to enter into this Lease; (b) Lessor, in making the decision to enter into this Lease; and (c) Lessor's decision to enter into this Lease reviewed by counsel of Lessor's choosing.

Executed on the date first written above.

By: arch Van Theles

Arch Van Meter

By: <u>Hary Van</u> Drette Patsy Van Meter